



May 15, 2013

Item No. 8

**AUTHORIZATION TO EXTEND CONTRACT NO. 1080 WITH NAN MCKAY & ASSOCIATES AND CONTRACT NO. 1081 WITH CVR ASSOCIATES, INC.**

**To the Honorable Board of Commissioners:**

**RECOMMENDATION**

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to amend and extend Contract No. 1080 with Nan McKay and Associates ("NMA") and Contract No. 1081 with CVR Associates, Inc. ("CVR") for a nine (9) months period from July 1, 2013 through March 31, 2014 to administrate and operate CHA's Housing Choice Voucher ("HCV") Program for an aggregate amount not-to-exceed \$21,749,704.00.

The Chief Housing Officer, the Office of the General Counsel and the Office of Procurement have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

**CORPORATE GOAL**

CHA seeks to develop a national model of excellence in program delivery, outstanding level of customer service and innovation for the HCV Program.

**FUNDING:** General Fund, FY2013 & FY2014, Funding Code: 8000302803 & 8000302807

**CONTRACT SUMMARY**

**Vendor:** Nan McKay & Associates  
1855 Gillespie Way  
El Cajon, CA 92020

CVR Associates, Inc.  
5400 Laurel Springs Parkway, Suite 201  
Suwanee, GA 30024

**Contract Type:** Professional Services

**Contract No.:** 1080 & 1081

**Contract Amount:** \$52,860,704.00

**Base Contract Period:** 2 years  
**1<sup>st</sup> Extension Period:** 6 months  
**2<sup>nd</sup> Extension Period:** 9 months

**1<sup>st</sup> Extension Amount:** \$13,036,639.00  
**2<sup>nd</sup> Extension Amount:** \$21,749,704.00

**Total Aggregate Contract Amount:** \$87,647,047.00

**Nan McKay M/W/DBE Participation:**

**Direct:** MBE   % WBE 100% DBE   %

**Section 3:**

Hiring 2 Subcontracting 45% Other Economic Opportunities       (\$)

**CVR Associates M/W/DBE Participation:**

**Direct:** MBE: 100% WBE   % DBE   %

**Section 3:**

Hiring 3 Subcontracting 0.0% Other Economic Opportunities x       (\$)

## **GENERAL BACKGROUND**

The Chicago Housing Authority is the third largest HCV Program in the country, serving over 38,000 participants and over 14,000 property owners. The HCV Program is currently administered by two contractors operating in three regional offices located across the City of Chicago. These contracts are overseen and administered by CHA's HCV Department. The current extension for Contract No. 1080 with Nan McKay and Associates ("NMA") and Contract No. 1081 with CVR Associates, Inc. ("CVR"), which was authorized by the Board on June 20, 2012, expires on June 30, 2013. This extension is imperative to provide continuation of the HCV Program as it issues a new Request for Proposal for services which is in alignment with the new corporate strategies.

During the initial extension period, the CHA evaluated current policies to coordinate and align with the new corporate strategy. The HCV Program developed a new request for proposal which is more closely aligned to the corporate vision and proposed new policies. This additional extension will allow the CHA sufficient time to concurrently release the RFP to solicit qualified contractors to administrate and operate CHA's HCV Programs and to properly evaluate proposals, interview, conduct discussions and contract negotiations with qualified respondents and obtain Board authorization to award (a) contract(s) with the selected respondent(s) and transition services by April 1, 2014. Without the extension, the CHA will not be able to operate and administrate its HCV Programs.

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority board policies and all applicable federal (HUD) procurement laws.

The Chief Housing Officer concurs with the recommendation to extend Contract No. 1080 with Nan McKay Associates and Contract No. 1081 with CVR Associates, Inc.

The CEO/President recommends the approval to amend and extend Contract No. 1080 with Nan McKay and Associates and Contract No. 1081 with CVR Associates, Inc. for a nine (9) months period from July 1, 2013 through March 31, 2014 to administrate and operate CHA's Housing Choice Voucher Programs for an aggregate amount not-to-exceed \$21,749,704.00.

**RESOLUTION NO. 2013-CHA-34**

**WHEREAS**, the Board of Commissioners has reviewed the Board Letter dated May 15, 2013 entitled “AUTHORIZATION TO EXTEND CONTRACT NO. 1080 WITH NAN MCKAY & ASSOCIATES AND CONTRACT NO. 1081 WITH CVR ASSOCIATES, INC.”;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** the Board of Commissioners (“Board”) authorizes the Chief Executive Officer or his designee to amend and extend Contract No. 1080 with Nan McKay and Associates and Contract No. 1081 with CVR Associates, Inc. for a nine (9) months period from July 1, 2013 through March 31, 2014 to administrate and operate CHA’s Housing Choice Voucher Programs for an aggregate amount not-to-exceed \$21,749,704.00.

These awards are subject to each Contractor’s compliance with the CHA’s MBE/WBE/DBE, Section 3 resident hiring, and insurance requirements.



Chicago Housing Authority

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